

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
SACRAMENTO, CA 95814

(916) 445-1912



December 15, 1980

To: All County Welfare Directors

Letter No. 80-47

CAC, TITLE 22, SECTIONS 50441 AND 50459 (DEEDS OF TRUST AND MORTGAGES FROM THE SALE OF REAL PROPERTY AND PROMISSORY NOTES). REFERENCE MEDI-CAL LETTER NO. 80-23

This is to advise you that the above cited Medi-Cal regulations were repealed on an emergency basis on November 21, 1980 because they were in conflict with state statutes governing Medi-Cal eligibility determinations. We are in the process of filing the attached nonemergency regulation revisions to comply with the governing statutes.

Until such time as the nonemergency revisions are filed and effective we will be operating under the statutory authority of Welfare and Institutions Code, Sections 14006 and 11153.7, which specify the method of valuing mortgages, deeds of trust and promissory notes and which specify the situations under which such items of property are treated as real or personal property for Medi-Cal eligibility determination purposes.

Since the attached provisions are based upon these statutes, the attachment should be followed in determining Medi-Cal eligibility. However, until such time as the nonemergency revisions are effective, the authority cited on the Notice of Action denying or discontinuing an individual based upon these provisions should be the referenced Welfare and Institutions Code Sections rather than a CAC, Title 22 reference.

This information will be issued in the Procedures portion of the Medi-Cal Eligibility Manual shortly. These procedures should be followed until the nonemergency revisions are effective.

If you have any questions contact your Medi-Cal Eligibility Management consultant at (916) 445-1912.

Sincerely,

Original signed by

Barbara V. Carr, Acting Chief
Medi-Cal Eligibility Branch

Attachment

cc: Medi-Cal Liaisons
Medi-Cal Field Representative

Expiration Date: June 30, 1981

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50441

50441. Mortgages, Deeds of Trust and Other Promissory Notes. (a) Mortgages, notes secured by deeds of trust and other promissory notes which can be sold or discounted shall be included in the property reserve, except as specified in (b).

(b) A mortgage, or a note secured by a deed of trust, from the sale of real property owned by the applicant or beneficiary shall be considered other real property and subject to all the conditions placed upon other real property in these regulations.

(c) The market value of all mortgages and notes shall be the value as established in (1), unless the applicant or beneficiary chooses to meet the conditions of (2), and (2) is lower:

(1) The principal amount remaining on the note.

(2) The appraised value obtained by the applicant or beneficiary from a party qualified to appraise such items. Parties qualified to appraise such items include, but are not limited to, any of the following:

(A) Banks.

(B) Savings and Loan Associations.

(C) Credit Unions.

(D) Licensed loan or mortgage brokers.

(d) Proceeds from mortgages and notes shall be considered as follows:

(1) The principal portion of the payment shall be treated as property.

(2) The interest portion of the payment shall be unearned income and shall be included in determining the share of cost.

Note: Authority cited: Sections 10725 and 14124.5, Welfare and Institutions Code.

Reference: Sections 11153.7 and 14006, Welfare and Institutions Code.

DEPARTMENT OF HEALTH SERVICES

714/744 P STREET

SACRAMENTO, CA 95814

(916) 445-1912



December 10, 1980

To: County Welfare Directors of

Calaveras, Colusa, Butte, El Dorado, Glenn, Humboldt, Inyo, Kern, Kings, Lassen, Marin, Mendocino, Merced, Monterey, Napa, Placer, Plumas, Santa Barbara, Shasta, Siskiyou, Sonoma, Sutter, Tehama, Ventura, Yolo, and Yuba Counties

ZIP CODE ORDER

To expedite the issuance of the Medi-Cal cards and reduce the cost of postage a process has been developed to produce the cards in zip code sequence instead of beneficiary identification number sequence. As a result, the recipient's zip code must now be included with all manual handpull requests (Medi-Cal Handpull List -- HAS 2673) and code-a-phone handpull requests.

On the HAS 2673, please write the recipient's zip code next to the case or individual block (sample attached). For code-a-phone requests, the zip code should be indicated after the recipient's name. If possible, the code-a-phone and manual requests should be submitted in zip code order.

We plan to implement the process in January 1981 for the February month of eligibility. If there are any questions concerning this request please contact Tony Planchon of my staff at (916) 445-1797. Thank you.

Sincerely,

Original signed by

Barbara V. Carr, Acting Chief
Medi-Cal Eligibility Branch

Attachment

cc: Medi-Cal Liaisons
Medi-Cal Field Representatives

[illegible]

- * 1. Card(s) not found in file
2. Difference in name
3. Difference in number (circled above)
4. Insufficient data on hangout list (circled above)
5. Other